

## Message Text

LIMITED OFFICIAL USE

PAGE 01 LISBON 05732 01 OF 02 030351Z  
ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 CIAE-00 COME-00 EB-08 INR-10  
LAB-04 NSAE-00 SIL-01 DODE-00 PM-05 H-01 L-03  
NSC-05 PA-01 SP-02 SS-15 ICA-11 DOTE-00 FMC-01  
CG-00 DLOS-09 OES-09 /111 W  
-----066329 030416Z /14

R 021743Z AUG 78  
FM AMEMBASSY LISBON  
TO SECSTATE WASHDC 6546  
INFO AMEMBASSY BONN  
AMEMBASSY LONDON  
AMEMBASSY MADRID  
AMCONSUL OPORTO  
AMEMBASSY PARIS  
AMCONSUL PONTA DELGADA  
AMEMBASSY BRUSSELS  
USMISSION GENEVA  
AMEMBASSY STOCKHOLM

LIMITED OFFICIAL USE SECTION 1 OF 2 LISBON 5732

BRUSSELS ALSO FOR USEEC

E.O. 11652: N/A  
TAGS: ELAB PO  
SUBJECT: HOTEL WORKER AND MERCHANT MARINE DISPUTES UNRESOLVED

REF: LISBON 5608

SUMMARY: THE JULY 29 NATIONWIDE STRIKE OF TOURIST INDUSTRY  
WORKERS HAD MIXED RESULTS WITH SIGNIFICANT WORKER ADHERENCE IN  
MOST LARGE ESTABLISHMENTS, BUT NEAR NORMAL OPERATIONS IN  
SMALLER HOTELS AND RESTAURANTS. THE NATIONAL UNION OF HOTEL,  
TOURISM, AND RESTAURANT WORKERS ARE PRESENTLY MEETING TO  
ANALYZE THE STRIKE AND DISCUSS POSSIBLE FURTHER STRIKE ACTION.  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LISBON 05732 01 OF 02 030351Z

OVER THE WEEKEND A TENTATIVE SETTLEMENT OF THE MERCHANT MARINE  
CONFLICT HAD BEEN REACHED BUT HAS SINCE BEEN SHELVED BECAUSE  
COMPANY OFFICIALS QUESTIONED THE AUTHORITY OF THE  
MINISTRIES OF LABOR AND TRANSPORT TO PROMULGATE A BINDING  
AGREEMENT OR ISSUE A WORK REGULATION (PORTARIA) DURING THE  
CURRENT GOVERNMENT CRISIS. THE FEDERATION OF SEAMENS  
UNIONS HAS ANNOUNCED IT WILL CONTINUE TO REFUSE TO WORK OVERTIME

UNTIL THE AGREEMENT IS RATIFIED. END SUMMARY.

1. HOTEL STRIKE: THE NATIONAL HOTEL WORKERS UNION CLAIMS THAT THE JULY 29 STRIKE OF THE TOURIST INDUSTRY WAS 75 PERCENT EFFECTIVE ALTHOUGH OFFICIAL ESTIMATES OF WORKER ADHERENCE FALL CONSIDERABLY SHORT OF THAT FIGURE. THE STRIKE WAS PARTICULARLY EFFECTIVE IN THE ALGARVE DESPITE LAST MINUTE EFFORTS OF SOUTHERN HOTEL ASSOCIATIONS TO REACH A COMPROMISE. GENERALLY, THE STRIKE AFFECTED THE OPERATIONS OF LARGER BUSINESSES BUT CAUSED MINIMAL DISRUPTION IN SMALL AND MEDIUM-SIZED HOTELS AND RESTAURANTS.

2. STRIKE BREAKERS AND LOCKOUTS: THE NATIONAL HOTEL WORKERS UNION, AN AFFILIATE OF THE COMMUNIST-DOMINATED CGTP, HAS DENOUNCED THE RECENTLY ORGANIZED VERTICAL UNION OF DEMOCRATIC HOTEL WORKERS (SINDHAT) FOR ATTEMPTING TO BREAK THE STRIKE. SINDHAT LEADERS HAVE COUNTERED WITH ACCUSATIONS THAT THE FEDERATION HAD THREATENED WORKERS ATTEMPTING TO STAY ON THE JOB WITH PHYSICAL VIOLENCE. AN AFFILIATE OF THE CONFEDERATION OF DEMOCRATIC WORKERS, SINDHAT HAS ONLY 2000 MEMBERS NATIONWIDE AND NO AFFILIATED UNIONS, HOWEVER, IT HAS CONDUCTED AN ACTIVE PUBLICITY CAMPAIGN APPEALING TO WORKERS TO IGNORE STRIKE ORDERS IN ORDER TO "SAVE THE TOURIST INDUSTRY." THE NATIONAL UNION, OBVIOUSLY FRUSTRATED WITH LESS THAN FULL ADHERENCE TO THE STRIKE, HAS ATTACKED HOTEL OWNERS FOR REFUSING TO NEGOTIATE AND HAS ACCUSED SOME OWNERS OF LOCKOUTS

LIMITED OFFICIAL USE

PAGE 03 LISBON 05732 01 OF 02 030351Z

AND OTHERS OF COLLABORATING WITH LOCAL POLICE IN EFFORTS TO INTIMIDATE WORKERS. THE NATIONAL UNION SECRETARIAT IS CURRENTLY MEETING TO DISCUSS POSSIBLE FURTHER STRIKE ACTION.

3. MERCHANT MARINE: AFTER HAVING REACHED A TENTATIVE AGREEMENT TO END A DISPUTE WHICH HAS PARALYZED THE MERCHANT FLEET, NEGOTIATIONS WERE BROKEN OFF JULY 31 WHEN SHIPOWNERS QUESTIONED THE AUTHORITY OF EITHER THE LABOR MINISTRY OR THE MINISTRY OF TRANSPORT AND COMMUNICATIONS TO RATIFY AN AGREEMENT OR TO ISSUE THE NECESSARY PORTARIAS IN THE MIDST OF THE CURRENT GOVERNMENT CRISIS. (NOTE: THE TERM SHIPOWNERS IS STILL USED ALTHOUGH THE PORTUGUESE MERCHANT FLEET, WITH THE EXCEPTION OF SOME VESSELS SERVING THE AZORES AND MADEIRA, HAS BEEN NATIONALIZED AND THE FORMERLY PRIVATE COMPANIES MERGED INTO TWO LARGE COMPANIES. THESE STATE-OWNED COMPANIES HAVE ADMINISTRATIVE AND FINANCIAL AUTONOMY.) AS A RESULT THE MINISTRY OF TRANSPORT AND COMMUNICATIONS HAS DELAYED PROMULGATING THE TENTATIVE AGREEMENT.

4. COMMENT: IN BOTH CASES (REFTEL) THE EXISTING CONTRACTS WERE FOISTED ON MANAGEMENT IN 1975 WHEN PROVISIONARY GOVERNMENTS GAVE WORKERS WHAT SOME OBSERVERS DESCRIBE AS

"LICENSE TO STEAL." HOTEL OWNERS AND OFFICIALS OF THE

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 LISBON 05732 02 OF 02 030351Z  
ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 CIAE-00 DODE-00 PM-05 H-01  
INR-10 L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15  
ICA-11 COME-00 EB-08 LAB-04 SIL-01 DOTE-00 FMC-01  
CG-00 DLOS-09 OES-09 /111 W  
-----066347 030416Z /14

R 021743Z AUG 78  
FM AMEMBASSY LISBON  
TO SECSTATE WASHDC 6547  
INFO AMEMBASSY BONN  
AMEMBASSY LONDON  
AMEMBASSY MADRID  
AMCONSUL OPORTO  
AMEMBASSY PARIS  
AMCONSUL PONTA DELGADA  
AMEMBASSY BRUSSELS  
USMISSION GENEVA  
AMEMBASSY STOCKHOLM

LIMITED OFFICIAL USE SECTION 2 OF 2 LISBON 5732

BRUSSELS ALSO FOR USEEC

STATE-OWNED MERCHANT MARINE COMPANIES ARE OPPOSED TO  
GRANTING WORKERS ADDITIONAL BENEFITS WHICH WOULD EXACERBATE  
EVEN FURTHER THEIR ALREADY SHAKY ECONOMIC SITUATIONS.  
TECHNICALLY, THE GOVERNMENT CRISIS DOES NOT AFFECT THE  
COMPETENCE OF THE MINISTRIES TO RATIFY AGREEMENTS OR ISSUE  
SPECIAL WORK REGULATIONS. GOVERNMENT OPERATIONS  
HAVE, HOWEVER, ALMOST CEASED WITH THE EXCEPTION OF BASIC  
HOUSEKEEPING FUNCTIONS. IT IS, NEVERTHELESS, CONCEIVABLE  
THAT MINISTRY OFFICIALS COULD USE THE GOVERNMENT CRISIS AS A  
PRETEXT FOR FORESTALLING AN UNDESIRABLE SETTLEMENT. BUT THE  
UNIONS CAN ALSO PLAY THE CRISIS GAME. THE UNIONS ARE  
COMMUNIST-CONTROLLED AND NATIONAL CGTP LEADERS UPON LEAVING BELEM  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LISBON 05732 02 OF 02 030351Z

AFTER THEIR MEETING WITH PRESIDENT EANES OVER THE WEEKEND PUBLICLY DISCLOSED THAT THE WORKERS ARE NOT PREPARED TO CONTINUE MAKING SACRIFICES PREJUDICIAL TO THEM AND THEIR FAMILIES IF THE "REVOLUTION IS BETRAYED IN THE RESOLUTION OF THE CRISIS." EXERTING PRESSURE IN THE LABOR SECTOR IS ONE WAY FOR THE COMMUNISTS TO SIGNAL THEIR UNWILLINGNESS TO ACCEPT A SOLUTION TO THE CRISIS WHICH WOULD STRENGTHEN THE RIGHT.

5. THE LABOR MINISTRY IS PREPARED TO ISSUE A PORTARIA AS SOON AS THE MINISTRY OF TRANSPORT AND COMMUNICATIONS GIVES A GREEN LIGHT. HOWEVER, SEAMEN UNION LEADERS HAVE ALREADY ANNOUNCED THEIR INTENTION OF REJECTING THE PORTARIA IF IT FALLS SHORT OF THEIR EXPECTATIONS. THE HOTEL STRIKE HAS BECOME AN EMOTIONAL ISSUE AND MAY BE EVEN MORE DIFFICULT TO RESOLVE.  
BLOOMFIELD

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DISPUTES, HOTELS, LABOR STRIKES, MERCHANT SEAMEN  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 02 aug 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978LISBON05732  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780317-0600  
**Format:** TEL  
**From:** LISBON  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t197808108/aaaadmlb.tel  
**Line Count:** 188  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 830c8b58-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 LISBON 5608  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1563186  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** HOTEL WORKER AND MERCHANT MARINE DISPUTES UNRESOLVED  
**TAGS:** ELAB, PO  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/830c8b58-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014